

DEQ's Renewable Energy Permit by Rule: Background & Status

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VIRGINIA ACTS OF ASSEMBLY -- 2009 RECONVENED SESSION CHAPTER 808 & 854

Virginia General Assembly"Small Renewable Energy Projects" LegislationHB 2175 & SB 1347Approved: April 8, 2009







Directs DEQ to develop by regulations

"permits by rule . . . for the construction and operation of small renewable energy projects,

including such conditions and standards necessary to <u>protect</u> the Commonwealth's <u>natural</u> resources"





Statutory Goals:

Promote renewable energy - provide certainty, timeliness, reasonable regulatory requirements

Protect natural resources – provide enforceable standards that are protective of wildlife & historic resources at/near project site





What is a "small renewable energy project"?











An electrical generation facility producing electricity from . . .

- biomass
- energy from waste < 20 MW</pre>
- municipal solid waste







An electrical generation facility producing electricity from ...

wind sunlight

falling water
motion
tides
geothermal power
biomass
energy from waste
municipal solid waste

Statutory Deadlines for Permits by Rule: January 1, 2011, for WIND July 1, 2012, for all others





Current Practice:

- Developer applies to SCC for individual permit
- Environmental agencies submit recommendations to SCC re proposed site
- SCC decides what environmental requirements to include in order





New System:

- Developer applies to DEQ for permit by rule (PBR)
- Environmental requirements are set forth "up front" in regulation for all sites
- If applicant meets requirements and submits required certifications, then DEQ notifies applicant that project is authorized under PBR.





Note...

Neither current practice nor DEQ's new PBR approach abrogates applicant's need to obtain state regulatory environmental permits.





WHAT IS THIS "PERMIT BY RULE"?







A Permit by Rule (PBR) is ...

- Expedited permitting process used by DEQ for certain solid waste facilities
- Regulation stating "up front" the criteria that applicant must meet
- Requirement that applicant submit docs/certification that has met requirements
- Requirement that DEQ review submission for completeness & adherence to reg
- If complete, then DEQ notifies that project is authorized under the PBR





A Permit by Rule is **not**...

- An individual permit
- Site-specific
- Based on a case-by-case technical analysis





Statutory Renewable Energy Permit by Rule Requirements





PBR Criteria 10.1-1197.6.B

- Notice of intent
- Local-government certification
- Interconnection studies
- Final interconnection agreement
- PE certification of generation capacity
- Analysis of impacts on NAAQS





PBR Criteria (continued)

- Analysis of impact on natural resources
- Determination of likely significant adverse impacts; mitigation plan
- PE certification of design
- Operating plan
- Site plan
- Certification re environmental permits
- Public meeting
- Public comment period





DEQ's Operative Provisions 10-1:1197.6.B.<u>7</u>:

Applicant shall provide

"an <u>ANALYSIS</u> of the beneficial and adverse impacts of the proposed project on <u>NATURAL RESOURCES</u>"





Operative provisions (continued) 10.1-1197.6.B.8:

(1) Department determines if foregoing analysis "indicates that significant adverse impacts to **wildlife** or historic resources are <u>likelv</u>"





If so, then...

(2)

MITIGATION PLAN

MEASURE EFFICACY(post-construction monitoring)





Chief PBR Operating Provisions

Analysis
Wildlife
HR
Other

Significant Wildlife HR impact?

Mitigation Wildlife HR& Monitoring





Our special challenges:

- One-size-fits-all regulation vs. site-specific resource protections
- Authority vested in DEQ Director a first
- Substantive authority/expertise vested in other state agencies; however, regulatory authority & extensive experience in administering permit programs reside in DEQ
- Most of experience in wind-energy development is outside state government
- RAP must complete work in a short amount of time





After long deliberations . . .

the original Wind RAP <u>AGREED</u> on all but 3 issues!!!





Those 3 issues...

- What exemption/notice requirement should apply for projects 5 MW and less
- What wildlife other than bats should constitute a mandatory trigger for mitigation (SGCN?)
- What avian field studies should be done in coastal zone





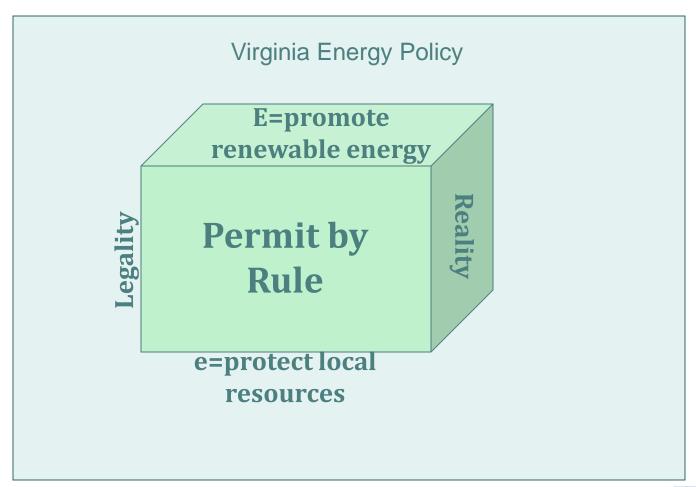
"Paylor Principle"

We should not make it more difficult to permit a renewable-energy facility than to permit other types of development, unless there is a very good reason (e.g., wind turbines' impact on bats – a special, unique impact).





"Small Renewable Energy Project" PBR







When applying the Paylor Principle...





The threshold question is:

Do solar projects

present
a unique or special threat
to natural resources
(wildlife and historic resources)?





If not, are PBR protections needed or warranted?

If <u>so</u>, what PBR protections are needed?





There are <u>no</u> "bad guys" in our RAP discussions.

<u>Everyone</u> is trying to do something good for energy and the environment!





What's next?





For solar . . .

- You, the Solar RAP, will continue to meet to discuss what, if any, naturalresource protections are needed in Solar PBR
- Next meeting is September 9, 2010
- RAP's recommendations submitted to Director
- Remainder of APA process will occur





Contact information . . .

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